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Abstract

Across the AMIR Program, the writing and editing workload is substantial. To respond to this workload, a consultant was hired to perform several discreet writing and editing tasks. This report details the tasks completed by the consultant, compiles the five USAID/AMIR Program “success stories” and the text drafted for the AMIR Program Website.

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Executive Summary

Across the AMIR Program, the writing and editing workload is substantial. To respond to the workload, a consultant was hired to support the program's five initiatives, as well as the general administrative area, in researching, editing and writing. Major tasks included editing annual work plan narratives for all components, editing the third quarterly report for 2004, drafting and editing Website text to reflect organizational restructuring, and drafting success stories.

Many of the editing tasks were completed, but some could not be started or completed due to the late delivery or non-delivery of the original materials.

Introduction

I. Introduction

Across the AMIR Program, the writing and editing workload is substantial. This work requires extensive research, critical thinking and analytical skills, and significant knowledge and understanding of the program. To respond to the workload, writing and editing support is necessary.

This consultancy consisted of various discreet editing and writing tasks to be completed in cooperation with the Communications Manager and the contacts persons for each of the five components, as well as the general AMIR Program administrative team. Specifically, the consultancy involved the following assignments:

- Draft cover story for third quarterly report, 2004
- Draft and edit Website and brochure text to reflect new organizational structure
- Draft USAID Success Stories
- Edit work plan narratives for clarity, ensuring the use of proper English and adhering to proper style
- Edit training manuals for clarity, ensuring the use of proper English and adhering to proper style
- Edit National Tourism Strategy document for clarity, ensuring the use of proper English and adhering to proper style
- Edit Board Members' Governance Training Manual for clarity, ensuring the use of proper English, and adhering to proper style
- Edit WCO materials for World Customs Organization September meeting

The following tasks were completed:

- Draft cover story for third quarterly report, 2004
- Draft and edit Website text to reflect new organizational structure
- Draft USAID Success Stories
- Edit work plan narratives

The following tasks were not completed due to the late delivery or non-delivery of original materials:

- Edit training manuals for clarity
- Edit National Tourism Strategy document
- Edit Board Members' Governance Training Manual
- Edit WCO materials for World Customs Organization September meeting

Five success stories were drafted, and Website text for the Business Management Initiative, the Enhanced Competitiveness Initiative, the Microenterprise Initiative, and the Strategic Projects

were drafted and edited to reflect the organizational restructuring that occurred on October 1, 2004.

II. Success Stories

The following success stories were drafted:

- 1- FMD: Jordan Mortgage Refinance Corporation Housing Bond Issue – Case Study
- 2- ICTI: Telecommunications Regulatory Commission Mobile License – Case Study
- 3- ICTI: Indefinite Quantity Contract – Success Story
- 4- MEI: Jordan Micro Credit Company Business-to-Business Service – First Person
- 5- MEI: Management Information System – Case Study

1. Jordan Mortgage Refinance Corporation Housing Bond Issue – Case Study

Expanding Investment Options Turns Jordanians into Investors: Jordan’s first-ever long-term retail housing bond gives individuals an affordable option for investing unused capital

Investment is a critical component of Jordan’s economic growth. In 1998, USAID’s economic development project, the AMIR Program, began helping Jordan upgrade its financial industry to encourage investment both domestically and from abroad. The initiative involved modernizing financial market infrastructure, training financial advisors as world-class professionals, and promoting Jordan’s capital markets to institutional investors. Among the Jordanian public, however, the culture of investment was weak, and most investment options were either unaffordable or too risky for the individual investor. With approximately \$2 billion resting unused in the hands of private citizens, Jordan needed to encourage its citizens to invest in their country’s future. At the same time, Jordan’s growing population and the high value Jordanians place on homeownership had created a large potential market for mortgages. Without a reliable source of capital, however, banks could only offer mortgages at unfixed interest rates, making them unattractive for would-be homeowners.

USAID saw the opportunity to address two of the financial market’s critical needs at once, and partnered with the Jordan Mortgage Refinance Company (JMRC) in 2002 to create the country’s first long-term housing bond. As a reliable funding source for mortgage loans, the bond would allow banks to issue fixed-rate mortgage loans, and as a comparatively low-risk investment, it would attract individual and first-time investors. As the first of its kind ever issued in Jordan, it needed to be structured and marketed carefully to generate enough interest. USAID and JMRC set an ambitious goal – sell one-third of the bonds to the general public. To help JMRC meet this target, USAID provided assistance in designing the bond, developing a marketing plan, drafting a bond prospectus, and selecting an institution to act as the issuing manager.

In May 2004, the \$7 million, five-year housing bond was issued to the Jordanian market. The bond had a nominal value of about \$1,400, far more affordable for the retail investor than the \$140,000 nominal value of previous issues. It was advertised in newspapers and on displays in branch locations of the Jordan National Bank, the issuing manager. The thorough preparation paved the way for a successful issue - the general public bought 95 percent of the bonds marketed to it, a remarkable response demonstrating the growth of an investment culture in Jordan. The bond’s success benefits more than just investors. “A strong

long-term bond market is good news for home-buyers,” says Ibrahim Daher, managing director of JMRC “With access to more long-term funding sources, banks can offer more mortgages, and at fixed interest rates. It brings people closer to realizing their dreams of owning their own home.”

2. Telecommunications Regulatory Commission Mobile License Award – Case Study

Good Governance Precedent Set as Jordan Expands Mobile Service: USAID helps Jordan issue third mobile operator license and become regional leader in fair competitive licensing procedures

In 2004, Jordan faced the complex task of licensing a third mobile telephone service provider. As a member of the World Trade Organization and a signatory to a free trade agreement with the United States, Jordan was obligated to issue the license to break the existing duopoly and prove its commitment to trade reform and liberalization. The decision to issue a third license was not universally popular, however, and the government faced heavy pressure from opponents to cancel the process. The licensing process would have to be competitive, transparent, and unbiased to fulfill Jordan’s international commitments and avoid accusations at home that the award was fixed. Conforming to the highest international standards would be critical, but the Telecommunications Regulatory Commission (TRC), which awards all telecommunications licenses, lacked experience in designing and conducting such a contest – previous licenses, including the first two mobile licenses, had been issued through non-competitive processes.

For assistance in developing a licensing process that was above reproach, the TRC turned to USAID’s economic development project, the AMIR Program. USAID had been working with the TRC since 2002 to build the commission’s capacity and assist its regulatory activities. In 2003, USAID experts analyzed the mobile telecommunications market and made recommendations for the licensing process. The USAID team then helped the TRC develop the process and implement it in two stages – a pre-qualification stage to screen potential applicants and a final evaluation stage. The process emphasized transparency at all times – details of the criteria and procedures were published well in advance, and answers provided in response to an applicant’s questions were supplied to all competitors. A team of USAID experts and TRC staff and consultants evaluated the final applications and made recommendations to the commission’s board of commissioners.

In August 2004, after a thorough and meticulous application and screening process, Jordan issued its first ever competitively awarded telecommunications license. The undisputed integrity of the process allowed the government to resist tremendous pressure not to award the license at all, including an offer of more than \$88 million from the existing mobile service providers. Jordan is the first country in the region to issue a third mobile license. The success of the process not only provides Jordan with a homegrown example of good governance and a model process for future competitive licensing, but also makes Jordan a regional leader in transparent licensing procedures. The addition of a well prepared and capable competitor to the mobile services market will lower costs to consumers, improve the quality of service, and expand the availability of new and existing services.

“Mobile licensing must be competitive, and it requires particular knowledge that Jordan didn’t have at the time. Now, we have that knowledge. A new competitor will bring lower prices and improve the quality of service, meaning better value for consumers.” – Ahmad Obeidat, director of the technical department, Telecommunications Regulatory Commission, Jordan

3. Indefinite Quantity Contract – Success Story

Jordanian IT Firms Thrive as e-Government Takes Off: Working with USAID helps Jordanian companies gain experience, visibility to compete regionally and internationally.

In 2002, USAID’s economic development project the AMIR Program was starting an ambitious initiative to help Jordan build its e-government program and improve government services to public using ICT. Success would require the cooperation of private companies providing a wide variety of services, from software development to project management. At the same time, Jordan’s emerging IT services industry was poised to make a breakthrough in regional and international markets. USAID saw the opportunity to build partnerships that would not only support Jordan’s e-government goals, but also strengthen the IT industry.

Rather than awarding contracts for every individual task in the e-government program, USAID created an indefinite quantity contract (IQC). The IQC allows USAID to pre-qualify firms for work and then issue task orders as needed. Twenty Jordanian firms bid for the chance to participate in the three-year, \$4 million contract, and five were chosen. Alongside USAID consultants, the IQC firms worked with the government on a range of projects, including websites, e-services, an informational portal, information management systems, and training management systems. The high-quality services provided by the IQC firms have helped Jordan’s e-government initiative thrive.

As the program progressed, it also became clear that the IQC was having an effect on the IT industry greater than anticipated. As the IQC firms gained valuable experience working to international standards and began developing expertise in certain fields, they saw their opportunities multiply.

“Working under the IQC has helped us develop a specialty in e-government projects,” says Fadi Mari, government sector manager for estarta, one of the IQC companies. “Because of our work with USAID, we have a good understanding of what governments need.”

By working together on the project the firms also realized the value of collaboration. “We saw that together we can deliver projects that individual companies could not handle alone,” says Osamah Yacoub, chief technical officer of AlliedSoft, the smallest IQC firm. “Now, we bid for projects jointly.”

By 2004, the IQC firms had become the top five IT companies in Jordan and are now leading the Kingdom’s charge into the international IT services market. In addition, a strong partnership between the government and the companies emerged. In 2004, the government issued a joint contract to all five firms worth more than \$1 million.

“USAID helped educate us about program management and quality standards,” says Fadi, who saw the value of estarta’s projects more than double between 2002 and 2004. “This gave us the confidence to go for bigger projects.”

“It would have been difficult for us to gain visibility even in Jordan, but working with USAID gives us credibility,” adds Osamah, who noted that AlliedSoft’s revenues have tripled since 2001. “Now we have the confidence to bid for contracts both locally and internationally.”

“It would have been difficult for us to gain visibility even in Jordan, but working with USAID gives us credibility. USAID trusted us to manage high-level projects, and now we have the confidence to bid for contracts locally and internationally.” – Osamah Yacoub, chief technical officer, AlliedSoft

4. Jordan Micro Credit Company Business-to-Business Service – First Person

Bringing Entrepreneurs Together to Create Business: Information service creates opportunities for small businesses and helps women break down gender barriers to success

Muna Hamdan’s home-based jam and pickle production requires an endless supply of jars and plastic bags. She spent valuable time searching for suppliers until she heard about the Business-to-Business (B2B) service at the Jordan Micro Credit Company (JMCC). The B2B database, the first such resource in Jordan designed for small and medium businesses, gives hundreds of entrepreneurs like Muna easy access to information about local suppliers and buyers of goods and services. In addition to finding potential business partners, clients can use the database to compare prices and incentives or search for inspiration by looking for gaps in the supply chain.

USAID helped create the B2B service as part of a larger effort to establish a sustainable microfinance industry in Jordan and help low-income Jordanians participate in economic growth as entrepreneurs. Through its economic development project, the AMIR Program, USAID provided JMCC with technical assistance and a grant of \$25,000 to create the database.

The B2B database was established in December 2003. Within ten months – and without marketing – it had grown to 27,000 entries representing more than half a million products. Muna is one of more than 300 entrepreneurs who have used the service to create more than 170 business links. In addition to generating opportunities for Jordanian entrepreneurs, the B2B has also spurred a significant cultural shift – women doing business directly with men, a rare occurrence in Jordan owing to Islamic social conventions. More than 40 percent of the links created through the B2B are between men and women.

“The business-to-business service is fast and makes everything easier. I’ve used it too many times to count. I look for suppliers, and I use the connections I make as opportunities to market my products.” – Muna Hamdan, entrepreneur

5. Management Information System – Case Study

Technology Boosts Capacity of Arab Microfinance Industry: USAID helps Jordan's microfinance institutions develop first Arabic-language system for computerized financial and administrative reporting

In 1998, USAID's economic development project the AMIR Program began working with Jordan's microfinance institutions (MFIs) to increase the availability of credit to low-income borrowers and promote entrepreneurship as a means of boosting the national economy. In the early days, when the loan portfolios were relatively small, the MFIs kept administrative records in a simple format, no more advanced than a spreadsheet. The success and growth of the microfinance program, however, meant that the MFIs were rapidly outgrowing their manual system for managing information. In order for the MFIs to continue their rapid progress, they needed to standardize their recordkeeping and reporting methods in a way that would make it easier for them to benchmark their performance against each other, as well as MFIs in other countries.

After searching for a suitable software package and finding that none existed, USAID issued an RFP for a software development firm to create an Arabic-language management information system (MIS) – the first of its kind – from the ground up. The system would be developed so that the basic program was standard, but more advanced operational levels could be tailored to each MFI's needs and preferences. The MFIs, which USAID supports with targeted grants as they work towards financial sustainability, collaborated with the developer to incorporate their field experience and knowledge into the system's design. The finished package is capable of tracking every business detail, including human resources, training, and accounting, in addition to loans and clients. Once the system was completed, USAID provided the MFIs' MIS managers with training on all the features.

The MIS has brought Jordan's microfinance industry to a new level of sophistication and accountability, enabling them to successfully manage more than 67,000 clients with loans totaling almost \$85 million. The MIS also fills a wider regional need – MFIs in Lebanon and Iraq were quick to take advantage of the availability of an Arabic-language system, and the software is also being marketed as far away as Morocco. "The MIS was developed with direct input from the microfinance institutions, so it serves us very well," says Khaled Al-Gazawi, executive director of the Jordan Micro Credit Company, one of the four USAID-supported MFIs. "We use it to determine our staffing needs, create incentives for employees, and follow clients. We even created our own component – a credit scoring system to help determine borrower eligibility. This system is the key to running every aspect of the company in terms of information."

"The MIS was developed with direct input from the microfinance institutions, so it serves us very well. The system is key to running every aspect of the company in terms of information." Khaled Al-Gazawi, executive director, Jordan Micro Credit Company origin.

III. AMIR Program Website Text

1. Business Management Initiative

Caption:

BMI developed sector-specific strategies, including one for the tourism industry, to help Jordan compete more effectively in the global economy.

[Click here to read the Success Stories](#)

Overview

From February 2002 to September 2004, the Business Management Initiative (BMI) supported the development of the private sector to help Jordan compete more effectively in the global economy. To achieve this, BMI strengthened the management skills and advocacy capacity of Jordan's private sector and supported the development of public-private partnerships. Working

with business associations and private-public sector institutions, BMI helped Jordan identify, create, and capitalize on opportunities within the country and in the global marketplace.

Key Initiatives

- **Business Skills Development**
- **Strengthening Business Associations**
- **Public-Private Partnership Support**

Grants

- **Business Skills Development**

Executive Training

During the first phase of the AMIR Program, BMI (then the Business Association Initiative), focused on establishing business associations that could give a voice to private sector needs. The initiative helped establish several successful associations, including the Jordan American Business Association (JABA), the Young Entrepreneurs Association (YEA), and the Information Technology Association-Jordan (int@j). The initiative later expanded its focus to include helping associations become even stronger advocates within the private sector through capacity-building efforts and by helping them enhance member services and benefits.

BMI assisted business associations in coordinating training programs to help middle and senior executives upgrade their business management skills. The topics were chosen by the business associations, who considered the needs and interests of their members. Some of the trainings conducted included:

- **Promoting the Jordan-U.S. Free Trade Agreement.** A partnership of business associations, the TIJARA Coalition, delivered various training sessions on the Jordan-U.S. Free Trade Agreement (FTA). These training events educated participants on how to take advantage of the FTA, focusing on creating linkages with companies in the United States. Trainings included export regulations, international copyright laws, and U.S. regulations on food export standards.
- **Advancing Intellectual Property Rights.** The Jordan Intellectual Property Association (JIPA), in conjunction with the International Intellectual Property Institute (IIPI) based in Washington, D.C., held two world-class events in Amman to raise awareness of the importance of intellectual property (IP) rights. IP Week, held in both 2003 and 2004, became an annual world-class event bringing IP experts to Jordan to educate businesses, academia, and the government about the importance of IP rights protection and the economic benefits gained by private sector participation in global IP activities. IP Week also featured workshops for judges that covered topics including copyright and trademark laws.
- **Revitalizing Jordan's Tourism Industry.** The Jordan Hotel Association (JHA) organized a seminar for Jordan's leading three, four, and five star hotel-owning companies on alternative investment strategies, showing them methods to secure

financing as well as how to prepare for Initial Public Offerings (IPO) for those who may seek equity or debt financing on the open market.

- **Strengthening Business Associations**

Business associations play an important role in promoting competitiveness, productivity, and efficiency. BMI worked closely with ten business associations, building their capacities to serve their members, contribute to Jordan's economic development, and support integration into the world economy. BMI provided direct technical assistance as well as grants.

To determine what types of technical assistance each business association needed, BMI conducted diagnostic assessments of all associations. Based on these assessments, BMI provided custom-tailored assistance in the areas of program and institutional development that continue to lead to long-term financial and institutional sustainability.

Grants from BMI allowed the business associations to fund projects such as training programs, industry development, conferences and workshops, study tours, and institutional development activities such as development of management systems and governance best practices. The associations' capacities were strengthened through managing these grants, and the associations gained confidence in working with other international partners to achieve their goals.

- **Public-Private Partnership Support**

Public-private partnerships enable all parties to take advantage of the skills and assets of each other, magnifying the results of the efforts. Skills and assets from these partners include financial and human resources, knowledge, and community connections. BMI supported many partners in building and strengthening coalitions, developing national strategies to reach a unified vision between the public and private sectors.

Some BMI-supported partnerships include:

Jordan Vision 2020

Jordan Vision 2020 (JV2020) is a comprehensive growth strategy for Jordan, outlining the steps to double the GDP per capita by 2020. Key elements of this strategy include technology advancement, foreign direct investment, export-driven growth, and building a strong private sector-led initiative. The new phase of Jordan Vision 2020 (JV2020 2.0) is focusing on developing sector-specific strategies that, when combined, would yield a national strategy to reach Jordan's growth targets. The approach stresses that each sector be championed by one association to mobilize industry representatives and reach a common vision for that sector's growth. BMI provided grants and technical support to JV2020.

Tourism Industry Support

Tourism is a key driver of Jordan's economy. It is the single largest employer and the second highest producer of foreign exchange, contributing nearly half a billion JD in revenue, or an average of 10 percent of Jordan's GDP annually.

To put Jordan on the "world tourism map," BMI began working with key tourism stakeholders in 2002 to develop a National Tourism Strategy. This public-private partnership included the Ministry of Tourism and Antiquities, Jordan Tourism Board, JHA, Aqaba Special Economic Zone Authority, Royal Society for the Conservation of Nature, Jordan Society of Tour and Travel Agents, Economic Consultative Council, and the Royal Hashemite Court and others.

The National Tourism Strategy was launched in September 2004. It is guided by the principle that tourism should deliver the optimum benefit to the economy, people, and communities of Jordan, while fortifying Jordan's tourism industry. The strategy's recommendations include diversifying accommodation and product alternatives, creating a better legal and regulatory environment, developing world-class training programs, and securing sound market research

To successfully implement this strategy, support will continue to various stakeholders through capacity-building programs and grants.

Jordan-U.S. Free Trade Agreement

The United States is one of Jordan's key trading partners. In 2000, Jordan became the fourth country to sign a bilateral trading agreement with the United States and the first in the Arab world. The Jordan-U.S. Free Trade Agreement (FTA) has enormous potential to boost trade and investment between the two countries. In addition to promoting bilateral trade and investment, the FTA can help attract foreign direct investment from other countries looking to enter the U.S. market through Jordan.

The TIJARA Coalition was created to promote private sector coordination to help the Jordanian business community capitalize on the free trade agreement. This coalition includes 26 of Jordan's leading business associations, as well as the Ministry of Trade and Industry, the Ministry of Planning, and the Ministry of Finance. BMI supported coalition members to promote the Jordan-U.S. FTA to its members and implement programs and activities through direct technical assistance and grants. Technical assistance included:

- Creation of, and training to, the Free Trade Unit hosted at JABA that disseminates information to the business community at large.
- Development of and technical training assistance to trade units at business associations.
- Implementing the "FTA Trade Officer Training Program" designed to help the associations' staff assist its members access the U.S. market.
- Training to association leaders through the "FTA Executive Series" held exclusively for members of boards and executive directors of business associations.

BMI also participated in all coalition meetings to identify linkages and to provide technical assistance. BMI launched the Jordan-U.S. FTA Web site, (www.jordanusfta.com), which

provides comprehensive trade information to businesses interested in taking advantage of the agreement.

Grants included:

- Support to the JABA-hosted FTA Unit.
- Support for training events to educate business people how to take advantage of the Jordan-U.S. FTA. Topics included export regulations, international copyright laws, and exploring U.S. regulations on food export standards.

Grants

BMI administered grants to help business associations implement advocacy activities, expand member services, support public-private sector partnerships, enhance trade development capacity, develop management skills, provide technical training, and carry out other capacity-building activities. [Click here for more information about the AMIR Grants Program.](#)

Some grants awarded under the initiative include:

- In 2003 and 2004, the JIPA received a grant to organize [IP Week](#). In cooperation with the International IPI and other donors, these events were used as a platform to educate the Jordanian business sector, academia, and government about the importance of IP rights protection and the economic benefits gained by private sector participation in global IP activities. IP Week also featured workshops for judges that covered topics including copyright and trademark laws.
- The Jordanian Hospitality and Tourism Education Company received a grant to modernize the computer system at Ammon College, Jordan's leading hospitality training institution. Ammon College aims at being Jordan's leading hotel, tourism, and culinary arts technical college, renowned regionally for highly qualified, skillful graduates, while also generating sufficient returns for sustainability and guaranteeing jobs for graduates. BMI supported Ammon by providing a computer lab where students can learn the Fidelio system, integrated management software for the hospitality industry. Hardware and software to improve the college's computer system was also provided.
- The [Jordan Tourism Board](#) received a grant to facilitate a series of workshops on crisis management for the tourism industry. The first workshop was designed for hoteliers and tour operators throughout the Kingdom. Participants discussed impediments and identified solutions to overcome the decline in the number of tourists coming to the region. The second workshop, aimed at business associations, broadened participant's knowledge of the industry and explained how to target new investors and clients around the world.
- YEA received a grant to fund the second phase of Jordan Vision 2020 (JV2020 2.0). YEA staff and dedicated JV2020 personnel will manage the process of developing sectoral strategies by coordinating with JV2020 coalition members. They will also be responsible for the development and implementation of a public relations strategy.

2. Microenterprise Initiative

Caption:

To expand entrepreneurship in Jordan, MEI helped develop a sound, sustainable microfinance industry and provided improved access to business development services.

Overview

From February 2002 to September 2004, the Microenterprise Initiative (MEI) worked to create an environment that is conducive for microenterprise development by:

- supporting the growth of a dynamic, sustainable microfinance industry
- building the capacity of business development service providers and facilitators who assist entrepreneurs
- promoting an enabling environment for micro and small entrepreneurs

Key Initiatives

- Sustainable Microfinance Industry Development
- Microenterprise Business Development Services
- Successful Entrepreneur Campaign

Grants

• **Sustainable Microfinance Industry Development**

MEI focused on developing a sustainable microfinance industry in Jordan. By introducing internationally accepted best practices to four microfinance institutions (MFIs), Jordan has become a leader in promoting the philosophies of sustainable microfinance. Ahli Microfinancing Company, Jordan Micro Credit Company (JMCC), Microfund for Women (MFW), and Middle East Micro Credit Company (MEMCC) together meet the borrowing needs of nearly 20,000 Jordanian micro businesses. ([To read more about these institutions, click here](#)). From 1998 to 2004, the AMIR Program through USAID committed nearly JD28 million (US\$40 million) to develop these MFIs, yielding impressive results, including unprecedented operational sustainability and repayment rates.

The initiative also developed and supported supplementary services to meet the needs of the industry as a whole. These efforts helped build the capacity of the MFIs and strengthen the movement toward commercialization. These innovative ancillary components included:

- **Wholesale Funding Facility.** This facility, created by the AMIR Program and managed by Citibank Jordan, [allowed the four USAID-supported MFIs](#) to increase their loan capital by borrowing from the commercial banking sector utilizing a guarantee fund established within Citibank. After demonstrating a consecutive period of financial and operational sustainability as well as the ability to secure loans from commercial sources independent of the facility's guarantee, the MFIs "graduate" from the facility and receive a portion of the fund's capital. In July 2004, JMCC became the first MFI to graduate. ([Related press releases.](#))

- **Sustainable Microfinance Training Program.** In cooperation with the Institute of Banking Studies, the AMIR Program created the Sustainable Microfinance Training Program (SMTP). The SMTP is the only training program of its kind in the region, offering participants, in Arabic, a practical understanding of sustainable microfinance and the tools to create and operate a successful sustainable microfinance program. The SMTP has trained hundreds of microfinance practitioners and bankers from Jordan, Egypt, Eritrea, Gaza, Iraq, Lebanon, the West Bank, and Yemen.
 - **Market Demand Survey.** An extensive analysis of the market demand in Jordan yielded a surprising limited market for microcredit. (Credit Demand Survey Report) As such, MEI promoted the idea of entrepreneurship and challenged the MFIs to create new and innovative products to create a niche market for themselves.
 - **New Product Development.** Working with the MFIs, MEI developed new loan products suitable to Jordan such as taxi loans, Islamic lending products, and innovative group and individual loan products.
 - **Microentrepreneur of the Year Award.** This annual awards program, held in conjunction with the four USAID-funded MFIs and under the patronage of Her Majesty Queen Rania Al-Abdullah, recognized exceptional microentrepreneurs.
 - **Credit Bureau.** Along with building private sector interest in establishing and managing a credit bureau, the initiative worked with the government of Jordan to develop a credit bureau law, which was passed in early 2003. The law permits licensed companies to issue individual and corporate credit reports. The dissemination of credit information is an important element to a developing economy, as it enables consumers to purchase goods and services on a larger scale by securing various forms of credit.
 - **Board Governance Manual.** This interactive manual guides MFI board members through a self-assessment of their organizations and recommends ways to improve based on international best practices.
-
- **Microenterprise Business Development Services**

MEI supported the development of microentrepreneurs by helping enhance services that support the improvement of their businesses, known as business development services (BDS). Typical BDS include business plan development, marketing, business skill training seminars, accounting and tax services, legal services, and production and inventory control consulting.

BDS enhance productivity and sustainability, resulting in business growth and employment opportunities for more Jordanians. A market survey conducted in July 2002 revealed that there is an untapped market for microentrepreneur BDS totaling JD13 million (US\$18 million) annually. The survey also showed that microentrepreneurs not only see the benefits of these services, but are willing to pay for these services. However, finding these BDS providers is challenging. As such, MEI developed ways to connect BDS providers with entrepreneurs who need their services. ([Click here to see MSE Demand for Business Development Services.](#))

Entrepreneur Web Site

MEI created a Website, www.alriyadi.net, to help entrepreneurs access the information they need to start and run a business (“alriyadi” means “entrepreneur” in Arabic). This one stop, on-line

information source, in Arabic, provides essential information including guidelines on business registration, licensing, and planning, and lists essential financial and non-financial service providers.

Support for Women Entrepreneurs

MEI developed the Women's Access to Entrepreneurial Development and Training (WAEDAT) Program. This comprehensive training program guides women entrepreneurs from business idea to project implementation, providing them with the know-how to establish and manage their own enterprises. The program also facilitates exchanges between women entrepreneurs and promotes long-term peer relationships.

Entrepreneurs' Forums

As part of the Successful Entrepreneur Campaign, MEI hosted Entrepreneurs' Forums throughout the Kingdom. Hosted cooperatively with the USAID-supported MFIs and BDS providers, these events disseminated information about the financial and non-financial services available and created linkages between entrepreneurs and providers. The forums also introduced "Start a business...Create a Future," an interactive theatre performance that challenged the guests with reverse psychology to declare the benefits of business ownership.

Business 2 Business (B2B) Services

A B2B Linkage Program was completed under a grant to JMCC. The B2B program's database links JMCC clients looking for raw materials, products, and services with suppliers of these services, creating additional business opportunities for all.

- **Successful Entrepreneur Campaign**

The Successful Entrepreneur Campaign, a national public awareness campaign, was developed to encourage new business start-up and the expansion of existing businesses. The campaign's messages, target audiences, and activities were based on a survey that canvassed 500 Jordanians for their attitudes and perceptions of entrepreneurship. (Attitudes and Perceptions of Entrepreneurism in Jordan Survey Report) The campaign was implemented cooperatively with a variety of partners, including the USAID-supported MFIs, BDS providers, the Ministry of Planning Enhanced Productivity Centers, business associations, and community organizations and leaders.

In addition to the Entrepreneurs' Forums, the campaign included:

- **Media outreach**

This component focused on telling successful entrepreneurs' stories through a variety of methods. These stories showed would-be entrepreneurs how others have overcome perceived obstacles to starting and owning a business.

- **Resource guidebook**

This guide offers a complete listing of financial and non-financial services available along with inspirational success stories.

Grants

MEI awarded grants to support microfinance institutions and business associations to ensure their operational sustainability and enhance their management skills. In addition, the initiative extended grants to develop and expand new business development services and products. [Click here for more information about the AMIR Grants Program.](#)

Some grants awarded by the initiative include:

- JMCC received a mini-grant to facilitate business-to-business linkages between JMCC clients, non-clients, and potential suppliers and partners. The grant funded the creation of a database that captures information about clients and non-clients. Users can query the database to identify possible partners and suppliers.
- MFW received a mini-grant to support the administration of a “Client Drop-Out Survey.” The survey assessed client satisfaction and documented patterns among drop-out clients. The review of the data identified which types of clients typically drop out, and when. Based on this data, recommendations were suggested for actions to decrease MFW’s client drop-out rate.
- MFW received a mini-grant to examine the feasibility of developing a microinsurance loan product for their clients. With the grant, MFW examined the market and designed a prototype for market testing.
- The Young Entrepreneurs Association (YEA) received a mini-grant to promote the newly established “www.alriyadi.net” Website. This Website was originally developed by MEI as an educational site for micro and small businesses, providing them with step-by-step information to establishing and expanding their business. Topics include how to write a business plan, registering and licensing a company, and designing a marketing campaign. The YEA promoted the Website through public events throughout the Kingdom and by working with university students, MFIs, and BDS providers.
- Jordan American Business Association received a small grant to develop a marketing campaign for the Start and Improve Your Business (SIYB) Program. The SIYB Program, tailored to the Jordanian businessperson, trained entrepreneurs on everything from business start-up to how to run a business, boosting sustainable, quality employment through improved business performance and business expansion in Jordan. The campaign increased the number of entrepreneurs trained, identified other stakeholders to engage in the program, and created linkages with MFIs, banks, and other community organizations to help their stakeholders access the SIYB Program.

3. Enhanced Competitiveness Initiative

Overview

The Enhanced Competitiveness Initiative (ECI) aims to improve Jordan’s national competitiveness. “Competitiveness” refers to Jordan’s ability to create robust, sustained economic growth, while improving the quality of life of its citizens through employment creation, rising incomes, and other benefits.

Improving competitiveness involves creating a favorable environment for doing business, encouraging investment, developing enterprise, and upgrading human resources, all in an effort to improve the productivity of local firms. It requires a continuous and focused national effort that is undertaken by a partnership of the government, private sector, and civil society.

ECI focuses on the following priority challenges:

- creating effective public institutions for economic policy development and implementation
- organizing key private sector constituencies
- providing business development services in underserved segments of the economy that demonstrate high potential
- fostering public-private partnerships for economic policy formulation
- building business management capacities

Key Initiatives

- Business Association Strengthening
- Business Development Services
- Business Skills Development
- Investment Promotion
- Public-Private Partnership Support

Grants

• Business Association Strengthening

ECI supports business associations (BAs) through direct technical assistance, provision of training to business leaders and association executives, and grants. ECI provides training and custom-tailored support in program and institutional development, including legal and regulatory compliance and membership development, to promote long-term financial and institutional sustainability. ECI supports the participation of BA executives in the Certified Association Executives program, through which they can obtain internationally recognized certification in BA governance and management. ECI also supports organizations in their efforts to gain credibility with international partners through accreditation in operations and management best practices.

Through grants to associations, ECI funds training programs, industry development initiatives, conferences, workshops, and organizational and institutional development activities. These grants benefit the industry in general as well as the individual associations, who, through the experience of managing the grants, build their capacity and gain confidence working with international partners to achieve their goals.

• Business Development Services

To promote microenterprise in Jordan and strengthen Jordanian businesses generally, ECI is helping enhance services that support the creation or expansion of businesses. Known as business development services (BDS), these services include business plan development, marketing, business skill training seminars, accounting and tax services, legal services, and production and inventory control consulting.

BDS enhance productivity and sustainability, resulting in business growth and employment opportunities for more Jordanians. A market survey conducted in July 2002 revealed that there is an untapped market for microentrepreneur BDS totaling JD13 million (US\$18 million) annually. The survey also showed that microentrepreneurs not only see the benefits of these services, but are willing to pay for them. However, finding BDS providers is challenging. As such, ECI is developing ways to connect BDS providers with entrepreneurs who need their services. ([Click here to see the study, MSE Demand for Business Development Services.](#))

Support for Women Entrepreneurs

ECI provides funding and technical assistance to the Women's Access to Entrepreneurial Development and Training (WAEDAT) Program. WAEDAT guides women entrepreneurs from business idea to project implementation. Through advisory and counseling services, networking activities, mentoring programs, and trainings in core business and sector-specific skills, WAEDAT provides clients with the know-how to establish and manage their own enterprises. The program facilitates exchanges between women entrepreneurs to help them learn from each other's experiences and promote long-term peer relationships.

WAEDAT is implemented by Jordanian partners Consolidated Consultants, the Jordan Hashemite Fund for Human Development, and Media Group, under a grant from AMIR. ECI manages all technical assistance to the program, provided by U.S. subcontractors Making Cents and Shore Bank.

WAEDAT mainly targets, but is not limited to, the following sectors:

- health care
- food
- cosmetics
- business to business
- handicrafts

Entrepreneurs' Forums

ECI collaborates with local partners to host "Entrepreneurs' Forums" throughout the Kingdom. These events disseminate information about the financial and non-financial services available and create linkages between entrepreneurs and BDS providers.

National Linkage Program

ECI provides comprehensive technical assistance and financial support to the National Linkages Program (NLP) under the Jordan Upgrading and Modernization Programme. The NLP aims to encourage large local firms to purchase intermediate goods and services as production inputs on a regular basis from local small- or medium-sized firms. Such linkages provide a number of

benefits, including strengthening local small and medium enterprises through technology transfer and skill upgrading.

In addition to developing the enterprise database that the NLP will use to facilitate the creation of backward linkages, ECI support to the NLP includes assistance in developing organizational structure, policies, and procedures; procuring office space and equipment; developing a communications strategy; and hiring key staff members.

- **Business Skills Development**

- Executive Training**

- Adept business leaders play a key role in increasing the efficiency, productivity, and growth of businesses, and in promoting private sector investment opportunities. ECI is helping Jordanian BAs build their capacity to conduct training programs that upgrade the management skills of local business leaders in the areas of strategic planning, financial analysis and management, human resource management, marketing, and using information technology (IT). These fee-based programs, geared to middle and senior business executives, are open to members of the association at discounted rates, thus increasing the attractiveness of membership. In addition to enhancing the competitiveness of Jordan's private sector, these programs also contribute to the financial sustainability of the associations themselves.

ECI coordinates conferences and other events with members of the business community. The associations choose the topics based on the needs and interests of their members. Some of the events include:

- *Entrepreneur Forum*. ECI provides funding and technical support, including event management and communications assistance, to the Young Entrepreneurs Association (YEA) to conduct the Entrepreneur Forum, an event that explores the role of entrepreneurship in Jordan's economic development.
 - *American-Jordanian Expo (AJEX)*. AJEX is an annual event hosted by the Jordan-American Business Association (JABA) that brings together representatives from Jordanian, American, and regional businesses and organizations to promote trade between Jordan and the United States and raise awareness of Jordan's preferential access to the U.S. market among investors. ECI provides funding and technical assistance in communications and event management to JABA.
 - *Jordan Garment Accessories and Textile Exporters Associations (JGATE)*. ECI provides funding and technical assistance to JGATE to conduct a series of trainings focusing on opportunities and challenges in the sector and the benefits of Jordan's preferential trade agreements with the United States.

- **Investment Promotion**

ECI works with the Jordanian government to improve the country's ability to attract investment by enhancing the structure and capacity of key government institutions and improving the environment in which investors do business.

Institutional Development

ECI works with the government to put in place a framework of public-sector institutions that will elevate Jordan's investment promotion efforts to the highest international standards. Drawing on the best practices of the successful Irish model, ECI encourages dynamic leadership, private sector participation, universal policy, and coordinated implementation.

ECI provides technical assistance to various government institutions in:

- institutional and legal framework development
- strategic planning, human resource support
- communications support, organizational development
- capacity building

Investment Promotion

ECI helps build the capacity of the Jordan Investment Board (JIB) to promote Jordan as an attractive location for direct investment. Activities include:

- Publishing the Investor Targeting Strategy 2003, which outlines Jordan's general competitive position for attracting investment relative to other countries in the region over a three-year time horizon and recommends focusing promotion efforts on certain sectors with high potential.
- Working together with JIB and other stakeholders to formulate focused, actionable investment promotion strategies for the high-priority sectors: garments, pharmaceuticals, information technology, tourism, electronics assembly, and precision engineering.
- Supporting JIB's implementation of these strategies, including the creation of marketing materials and the establishment of representation offices abroad.

Enabling Environment

In 2002, a study of the business climate in Jordan was conducted. The 2002 Investor Roadmap of Jordan outlines the path of business start-up and operation, highlights major obstacles on that path, and recommends ways to remove those obstacles. ECI is helping to implement the study's recommendations by focusing on two priority programs:

- In collaboration with Information and Communications Technology Initiative (ICTI), ECI supports pilot programs at both the municipal level (in collaboration with the Greater Amman Municipality and the Municipality of Madaba) and the ministerial level (in coordination with the JIB One-Stop Shop) to create a reform process for business licensing that can be applied across government. The aim is to lower the cost of doing business in the formal sector by reducing the time and effort that are required to license a business, while protecting the public interest. (Geoff: Relevant deliverables)
- ECI provides technical assistance to the Ministry of Industry and Trade and the Ministry of Finance to formulate and apply a new package of fiscal incentives for investment that

is globally competitive and strengthens Jordan's position as a regional economic leader. (Investment Incentives) This effort strives to create a simple, efficient, and effective means of encouraging capital investment, at the same time improving the government's capacity to generate revenue.

Integrated Trade and Investment Information System

In collaboration with ICTI, ECI works with the government to design and develop an information system that provides accurate, unified, and timely trade and investment data. Based upon a shared information model and common data governance standards, this information system integrates the data collected by the leading public economic institutions into a single, accessible database. The system will improve economic policymaking and private sector decision-making. (Scoping Study)

• Public-Private Partnership Support

Jordan Vision 2020

Jordan Vision 2020 (JV2020) is a comprehensive growth strategy for Jordan that aims to double the GDP per capita by 2020. Key elements of this strategy include technology advancement, promoting foreign direct investment, generating export-driven growth, and building a strong private sector-led initiative. The current phase of the initiative, JV2020 2.0, focuses on developing sector-specific substrategies that enhance the overall national strategy and contribute to achieving Jordan's growth targets. Each sector is championed by one association, which will mobilize industry representatives and coordinate the development of a common vision for that sector's growth.

The key industry sectors identified in the JV2020 2.0 process are IT, pharmaceuticals, engineering consultancy services, cosmetics and Dead Sea products, packaging, furniture, medical services, higher education, electronics trade and electrical components, fruits and vegetables, and food processing.

ECI provides both funding and technical support to JV2020, including a grant to the YEA to establish the JV2020 Coordination Unit and guidance in implementing the initiative's activities. ECI supports the development of sectoral substrategies through grants to the individual BAs representing the target sectors.

Grants

ECI awards grants that support Jordan's ability to create robust, sustained economic growth. Grants are available to a wide range of Jordanian organizations, including business associations, NGOs, non-profit firms, for-profit firms (that forego profit), and business development service providers. Grants to business associations support implementing advocacy activities, expanding member services, supporting public-private sector partnerships, enhancing trade development capacity, developing management skills, and other activities. Business associations can view following document for more information: "A Guide for Developing Business Association Grant

Applications.” Grants from ECI also support the development and expansion of business development services and products. All grants include implementation targets and results.

Some grants awarded under the initiative include:

- The YEA received a grant to establish the National Coordination Unit for JV2020, housed at YEA. The grants covered all requirements for setting up the unit, including staffing and equipment procurement.
- JABA received a program development grant to support training workshops and preparations for AJEX 2004.
- Seven Dimensions received a grant to develop and implement the Turath Empowerment Project, which aims is to strengthen the skills of artisan women microentrepreneurs through training and networking, and to help microenterprises market handicrafts internationally through the Internet and promotional material. The grant covers project development, training, and public awareness events.

4. Strategic Projects

Strategic Projects (October 2004 – December 2004)

These Strategic Projects grew out of the AMIR Program reorganization in October 2004 when a new initiative was formed, the Enhanced Competitiveness Initiative (ECI), to capitalize on linkages across the program. These projects were kept separate from the newly formed initiative, so they can receive the special attention they require to continue their development.

Tourism

Tourism is a key driver of Jordan’s economy. It is the single largest employer and the second highest producer of foreign exchange, contributing nearly half a billion JD in revenue – about 10 percent of Jordan’s annual gross domestic product. To capitalize on Jordan’s tourism assets, the National Tourism Strategy was launched in September 2004 by a partnership of public and private sector stakeholders with assistance from the AMIR Program. The Strategic Project - Tourism will continue to support the partnership in implementing the strategy, and shift to ECI in January 2005.

Microfinance

This strategic project was created to provide continuing support to MEI’s partners and oversee the collection of salient information for review and documentation.